

Financial Services

Program Description:

The Financial Planning and Administration program coordinates the Financial Services Department's operations, facilitates Citywide financial planning, manages the City's short-term and long-term debt, coordinates the financing of City projects, and provides City management with current information concerning economic conditions and the potential fiscal impact to Scottsdale.

Trends:

Beginning to see slow improvement in the local economy, although the construction sector is forecast to be less of a factor than during the 90's.

Market rates remain relatively low providing a favorable market for new bond issuances to fund the City's capital plan.

Program Broad Goals:

Maintain and enhance strategic financial plan elements and ensure the continued financial stability for the City of Scottsdale.

Develop financial policies, prepare strategic forecasts and assist others in developing long-term financial models to prudently manage assets and identify the City's capacity to fund future service and capital needs.

Seek optimum financing structure to mitigate debt service costs, while reinforcing our solid standing with credit rating agencies and maintain or improve Scottsdale's excellent bond ratings.

Diversify and enhance revenue sources, mitigate expenses and debt service costs, evaluate cash flow, and issue bonds when necessary to fund the City's capital program.

Program 2006/07 Objectives:

Manage expenditures very tightly, as the economy continues to recover and our revenue picture improves.

Continue the open position review process, with a focus on budget reductions by finding cost savings and operational efficiencies.

Carefully evaluate cashflow needs to manage General Fund contributions to capital projects, streamline our operations, and look to stabilize our retail privilege tax base.

Program Provided in Partnership With

Mayor & City Council, City Management, City Staff

Program Customers

Mayor & City Council, City Management, City employees, Scottsdale citizens

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Administrative Secretary	1.00
2 FT Finance Manager	2.00
1 FT Financial Svcs Technology Mgr	1.00
1 FT GM Financial Services	1.00
Total Program FTE	5.00

Financial Services | FINANCIAL PLANNING & ADMINISTRATION

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of total cash actively invested	99.9%	99.9%	99.9%	99.9%
Weighted average yield on investments	2.75%	3.0%	3.0%	3.5%

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Maintain or improve General Obligation Bond rating which contributes to lower cost of debt	Moody's Aaa S&P AAA Fitch AAA	Moody's Aaa S&P AAA Fitch AAA	Moody's Aaa S&P AAA Fitch AAA	Moody's Aaa S&P AAA Fitch AAA
% of fees and charges examined annually to ensure they recover all direct and indirect costs of service. (Enterprise, non-enterprise, and development impact fees)	100%	100%	100%	100%

Expenditures By Type				
	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	443,835	476,327	476,327	591,603
Contractual Services	33,968	40,676	40,676	59,454
Commodities	2,537	8,350	8,350	3,500
Capital Outlays	-	-	-	-
Total Program Budget	\$480,340	\$525,353	\$525,353	\$654,557

Program Description:

The Accounting program maintains the City's financial systems and fiscal controls over: Special Assessments, Cash and Investments, Fixed Assets, and Grants. In addition, the program provides in-house training, guidance and support to City staff related to financial controls, systems, laws and policies & procedures. The program is also responsible for the coordination of the financial statement audit and preparation of the City's annual financial statements, grant compliance, expenditure limitation reports per Arizona Revised Statute and City Code, and the preparation of special and monthly reports.

Trends:

Accounting's program budget shows a slight increase from prior years due to contractual and salary increases.

Program Broad Goals:

Develop and Maintain Integrated Financial Systems - Develop and administer the various financial operating and internal control systems to ensure data integrity and ease of financial information tracking.

Provide Financial Information to Stakeholders - Prepare and distribute financial information to interested stakeholders, i.e., citizens, media, financial institutions, and City staff on which they can make informed judgments and decisions about City operations and finances.

Be a Financial and Administrative Consultant to Departments - Provide training, advice, tools and support to departmental customers and City Council to increase their financial knowledge and confidence with their administrative responsibilities.

Program 2006/07 Objectives:

Maintain the City's accounting and financial reporting systems in conformance with all state and federal laws, Generally Accepted Accounting Principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

Maintain financial systems internal controls to monitor expenditures and program performance on an ongoing basis.

Produce financial reports and make available on the City's intranet site no later than 5 working days after the last business day of the month.

Program Provided in Partnership With

Accounts Payable & Payroll, Budget

Program Customers

City Council, City employees, Scottsdale citizens, investors, news media, creditors, Budget program

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software, COGNOS impromptu report writer, Cashier for Windows (cashiering software), D-Fast (Special Assessments Software), Internet Banking, Intranet, Desktop Publishing Software, Printing

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Account Clerk, Sr.	1.00
5 FT Accounting Coordinator	5.00
1 FT Accounting Director	1.00
1 FT Administrative Secretary	1.00
1 FT Enterprise Finance Director	1.00
3 FT Systems Integrator	3.00
2 PT Financial Services Technician	1.00
Total Program FTE	13.00

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of monthly closes within 5 working days of month-end	100%	100%	100%	100%
# of journal entry/budget transfers processed annually	5,364	5,046	5,128	5,282

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Annual audit and single audit opinions from external auditors are unqualified with an opinion date of September 15th or prior.	9/14/03	9/10/04	9/9/05	9/15/06
Comprehensive Annual Financial Report in conformance with GAAP and meets GFOA financial reporting excellence benchmarks	Yes	Yes	Yes	Yes

Expenditures By Type				
	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	951,677	888,358	888,358	1,002,382
Contractual Services	549,766	770,890	770,890	811,102
Commodities	6,484	7,865	8,965	10,689
Capital Outlays	4,056	-	-	-
Total Program Budget	\$1,511,983	\$1,667,113	\$1,668,213	\$1,824,173

Financial Services | ACCOUNTS PAYABLE & PAYROLL

Program Description:

The Accounts Payable and Payroll program develops, implements and maintains payment processes in compliance with all Federal, State, and City regulations.

Trends:

Over the past three years the accounts payable area has experienced processing volume increases due to growth. The increase in volume was initially tempered by citywide General Fund cost reduction efforts. More recently, the recovery of the economy as well as the addition of a municipal fire department has resulted in additional workload for both the accounts payable and payroll functions. Current staffing is sufficient to ensure that the internal controls are properly maintained and that payments continue to be processed in a timely manner.

Program Broad Goals:

Develop and Maintain Integrated Financial Systems - Develop and administer the various financial operating and internal control systems to ensure data integrity and ease of financial information tracking.

Provide Financial Information to Stakeholders - Prepare and distribute financial information to interested stakeholders, i.e., citizens, media, financial institutions, and City staff on which they can make informed judgments and decisions about City operations and finances.

Develop and implement efficient and effective payment processes- Ensure payroll and accounts payable transactions are processed in a timely, efficient and accurate manner.

Program 2006/07 Objectives:

Continue to maintain all systems, payroll and accounts payable transactions, and records in conformance with all State and Federal laws, and City administrative regulations.

Complete all payroll processes by 3 p.m. Thursday on payroll week and maintain a backlog of accounts payable check requisitions of 3 days or less and accounts payable invoices of 10 days or less.

Upgrade the City's timekeeping system (Webtime).

Program Provided in Partnership With

Human Resources, Accounting, Budget, departmental timekeepers, SP3s

Program Customers

City Council, City employees, Scottsdale citizens, vendors, news media

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software, TotalHR (human resources/payroll) financial software, Webtime (timekeeping) software, check sealer

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
4 FT Account Clerk	4.00
1 FT Account Payable Spec, Lead	1.00
1 FT Payables Manager	1.00
4 FT Payroll Specialist	4.00
1 FT Payroll Specialist, Lead	1.00
1 FT Systems Integrator	1.00
1 FT Technology Specialist	1.00
2 PT Account Clerk	1.00
1 PT Systems Integrator	0.50
Total Program FTE	14.50

Financial Services | ACCOUNTS PAYABLE & PAYROLL

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of payroll checks and direct deposits processed	60,635	61,710	69,991	70,000
# of accounts payable checks issued	34,547	37,954	41,194	42,000

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of time Payroll processed biweekly by 3 p.m. on Thursday	100%	100%	100%	100%
% of time that the backlog of check requisitions is 3 days or less and invoices is 10 days or less	100%	100%	100%	100%

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	748,651	875,815	875,815	916,088
Contractual Services	105,444	148,737	148,737	153,456
Commodities	13,646	13,236	13,236	9,580
Capital Outlays	-	-	-	-
Total Program Budget	\$867,741	\$1,037,788	\$1,037,788	\$1,079,124

Program Description:

The Budget program is responsible for the preparation and adoption of the City's annual budget per the terms and due dates mandated in the Arizona Revised Statute and City Code. It coordinates the development and ongoing monitoring of the Citywide operating and capital budgets on behalf of the City Manager. Embodied within this process are assisting City Council with the City's budget public input efforts, preparing and monitoring of the Five-Year Financial Plan for all funds, and assisting the Citizen Bond Review Commission, City Council Budget Subcommittee, citizens, and media with their questions regarding the City's budget.

Trends:

The City's budget was developed under the premise that the positive economic conditions experienced over the past few years will continue at a modest rate for the foreseeable future. This positive scenario is based on the ongoing diversification and growth in employment opportunities within the state, region and City, all of which are expected to continue promoting economic growth. The local fiscal conditions are further bolstered by a strong national economy. The City's tourism and hospitality industries continue to show signs of improvement, as well as growth in the health and biotech industries. While the City continues to grow and experience a high level of consumer demand for luxury residential projects in the City's downtown and the revitalization of the City's original sections, the build-out of the community will likely present fiscal challenges as the community matures. There is also continuing uncertainty about the sustainability of the economic recovery due to a number of fluctuating economic factors, including higher energy prices, rising interest rates, high levels of national and consumer debt, the war in Iraq, and the continued threat of terrorism.

Program Broad Goals:

Prepare a balanced five-year financial plan for each fund using conservative revenue and expenditure estimates and maintaining sufficient fund balances that comply with the City's adopted financial policies.

Prepare a balanced operating and capital budget that effectively addresses City Council's Broad Goals, citizen's priorities, and complies with all applicable federal, state and local requirements.

Prepare accurate financial information and distribute it in a timely manner to City Council, citizens, media,

financial institutions and internal customers in response to their specific financial needs.

Promote increased business acumen and fiscal accountability within the organization.

Program 2006/07 Objectives:

Continue to work collaboratively with the City's Capital Project Management staff to improve the Capital Improvement Plan (CIP) cash flow requirements analysis and reporting, in order to minimize the likelihood of premature or excessive cash transfers to the CIP from the General Fund.

Continue to build and refine the City's program budget information to facilitate a more comprehensive review of the City's operating budget, which contributes to more effective policy discussions and decisions.

Continue to refine the effectiveness and efficiency of the citizen budget input process in conjunction with the City Manager and City Council.

Program Provided in Partnership With

City Manager, Accounting, Accounts Payable & Payroll, Capital Project Management, Fleet, Human Resources, and Risk Management

Program Customers

City Council, City Manager, City employees, Citizen Bond Review Commission, City Council Budget Subcommittee, Scottsdale citizens, businesses, and the media

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, fax machines and copier

Special Equipment

SmartStream financial software, spreadsheet and database software, and desktop publishing software

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
5 FT Budget Analyst, Sr.	5.00
1 FT Budget Director	1.00
1 FT Management Analyst	1.00
Total Program FTE	7.00

Performance Measures
Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of monthly Citywide revenue monitoring reports prepared timely and reviewed	100%	100%	100%	100%
Budget meets or exceeds all requirements and GFOA reporting excellence benchmarks	Yes Especially Notable	Yes	Yes	Yes

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of Capital Improvement Plans in compliance with the City's adopted Financial Policies	100%	100%	100%	100%
Produce a balanced 5-year plan of revenues and expenditures	In Compliance	In Compliance	In Compliance	In Compliance

Expenditures By Type				
	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	489,703	613,800	613,800	666,259
Contractual Services	18,117	37,827	37,827	48,631
Commodities	3,391	8,324	8,324	5,130
Capital Outlays	-	2,500	2,500	-
Total Program Budget	\$511,211	\$662,451	\$662,451	\$720,020

Program Description:

The Risk Management program coordinates the City's safety and risk management function, including the procurement of insurance; investigates and adjusts claims in the areas of property loss, liability, workers' compensation; Occupational Safety and Health Administration (OSHA); and unemployment compensation exposures; and assists in the preparation of fiscal impact statements and negotiation in the area of employee health benefits. This budget is offset by internal service "user rates" charged to other City operating departments.

Trends:

The City has experienced an overall increase in property-casualty insurance premiums in recent years. The international reinsurance market is predicted to harden dramatically as a result of the uncommonly severe 2004 and 2005 storm seasons, thus producing a restricted market with a reduction in capacity.

Program Broad Goals:

Reduce and contain the financial impact of liability and employee accident claims against the City to reduce costs to taxpayers.

Provide employee safety in the workplace through highly visible efforts and programs.
Maintain OSHA Voluntary Protection Program (VPP) Star certification.

Program 2006/07 Objectives:

Achieve the most cost effective excess insurance program for the premium funding available.

Maintain financial health of Loss Trust Fund.

Keep total risk expenditures to less than 2% of overall City operating budget.

Program Provided in Partnership With

City Attorney, Human Resources, Purchasing, Contract Administrators, Fleet, Police, Accounting

Program Customers

City employees at all levels, Scottsdale citizens, outside defense attorneys, AZ Industrial Commission, AZ Department of Economic Security, AZ Occupational Safety and Health Administration (OSHA), Loss Trust Fund Advisory Trustees

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software, radio, cell phones, pagers, City vehicle, RiskMaster claims database

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
2 FT Administrative Secretary	2.00
1 FT Claims Manager	1.00
1 FT Contracts Coordinator	1.00
1 FT Financial Services Technician	1.00
1 FT Risk Management Director	1.00
1 FT Risk Services Manager	1.00
1 FT Workers Comp Claims Spec	1.00
Total Program FTE	8.00

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Premiums for excess insurance program	\$1,636,002	\$1,636,002	\$1,500,000	\$1,836,000

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Maintain Risk Management budget to within 2% of City's operating budget	1.90%	1.90%	1.90%	1.90%
Fund the City's Loss Trust Fund to minimum of 100% of the Actuary's recommended fund balance.	105%	105%	100%	100%

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	568,431	605,988	605,988	672,446
Contractual Services	6,031,334	4,663,920	6,177,454	5,719,789
Commodities	93,292	28,400	36,910	33,800
Capital Outlays	33	-	-	-
Total Program Budget	\$6,693,090	\$5,298,308	\$6,820,352	\$6,426,035

Program Description:

The Purchasing program is responsible for the acquisition and/or facilitation of all materials, services, and construction required by the City and provides assistance to Contract Administrators. It analyzes products for their environmental impact, actively seeks environmentally friendly products, and promotes opportunities for Minority Business Enterprises (MBE) and Women-owned Business Enterprises (WBE).

Trends:

All public procurement programs are using more electronic means of buying, bidding, and contracting. Scottsdale Purchasing is studying opportunities for using the State of Arizona Bidder Registration System. A joint system will allow bidders a one stop registration for many public agencies.

Program Broad Goals:

Implement flexible procurement processes and secure long-term contracts and advantageous pricing arrangements (procurement cards, on-line ordering, cooperative purchasing, etc.) to continue to reduce processing costs.

Educate City staff so they can make informed judgments and decisions about best value procurement of goods and services.

Create a broad and diverse vendor base for the City by sponsoring trade fairs and other outreach programs for minority and women-owned businesses to heighten the awareness of purchasing opportunities for emerging and disadvantaged businesses.

Program 2006/07 Objectives:

Expand the number of contracts that are available for City departments to procure goods on their own.

Increase the opportunities for minority owned businesses and women owned businesses to do business with Scottsdale.

Program Provided in Partnership With

All City departments, business community

Program Customers

Mayor, City Council, City Manager, all City departments, business community

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Administrative Secretary	1.00
1 FT Bid & Contract Assistant	1.00
1 FT Bid & Contract Coordinator	1.00
4 FT Bid & Contract Specialist	4.00
3 FT Buyer	3.00
1 FT Financial Services Technician	1.00
1 FT Purchasing Clerk	1.00
1 FT Purchasing Director	1.00
1 FT Purchasing Manager	1.00
1 FT Technology Specialist	1.00
Total Program FTE	15.00

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of Purchase Orders processed	12,254	9,611	10,600	12,000

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of long term contracts in place	270	263	275	285

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	963,794	1,061,417	1,061,417	1,092,854
Contractual Services	78,575	87,021	87,375	88,806
Commodities	18,653	16,025	16,025	18,275
Capital Outlays	653	-	-	-
Total Program Budget	\$1,061,675	\$1,164,463	\$1,164,817	\$1,199,935

Financial Services | STORES/WAREHOUSE OPERATIONS

Program Description:

The Stores and Warehouse Operations program maintains and dispenses inventory items, manages surplus property and acts as a short-term storage facility.

Trends:

More staff time is devoted to the proper disposal of environmentally sensitive assets. With just-in-time purchasing, more short-term storage space is needed vs. long-term storage. The Warehouse is being developed as a first line defense against improper packages entering into the Scottsdale work place.

Program Broad Goals:

Receive goods at the Warehouse, provide security screening, and distribute to all City departments.

Receive, recycle, store and dispose of surplus property.

Receive and dispose of waste, batteries, ballasts, lamps, toner cartridges, and inkjet cartridges.

Program 2006/07 Objectives:

Develop security systems that ensure dangerous items do not enter into the city work place.

Develop better systems to account for the disposition of high-risk materials.

Develop inventory lists, storage locations, delivery routes, and work plans for a new municipal fire station.

Program Provided in Partnership With

All City departments, business community

Program Customers

City departments, business community

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software, vehicles, forklifts, cell phone

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Purchasing Operations Manager	1.00
3 FT Stock Clerk	3.00
2 FT Stock Clerk, Lead	2.00
Total Program FTE	6.00

Financial Services | STORES/WAREHOUSE OPERATIONS

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Restock orders processed	n/a	852	909	975

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Weight of batteries recycled	n/a	1,527 lbs	1,623 lbs	1,800 lbs
Weight of Scrap Metal recycled/ Revenue Received	n/a	n/a	97,216 lbs/ \$7,810	100,000 lbs/ \$9,000

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	263,848	289,812	289,812	325,507
Contractual Services	30,973	52,357	52,357	53,204
Commodities	35,740	3,725	3,725	10,400
Capital Outlays	4,459	-	-	45,500
Total Program Budget	\$335,020	\$345,894	\$345,894	\$434,611

Program Description:

The Graphics program designs or provides design assistance for printed material and is a resource to print to black and white and up to four-color printed materials for City programs.

Trends:

Graphics is experiencing more use of color in the jobs they are required to print. Printing is becoming more specialized and the Graphics team is spending more time consulting with City staff to meet their specialized printing needs.

Program Broad Goals:

Provide a professional graphics operation for the City that delivers a high quality, professional, cost efficient product using both City assets and outside graphic vendors.

Program 2006/07 Objectives:

Implement web based interface for graphics requisitions and business cards with interface to the General Ledger.

Educate City staff about the different graphics processes and their effect on the finished process.

Program Provided in Partnership With

Outside printing businesses

Program Customers

City departments

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

One color print press, four color print press, color copier, bindery machine, paper shearers, Adobe PageMaker, QuarkXpress, Adobe Photoshop, Apple Macintosh, Adobe Freehand, Adobe Illustrator, folder, drill press, saddle stitcher, negative processor, firey interface, waste stream recovery system, fork lift

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Graphics Designer	1.00
1 FT Graphics Technician	1.00
1 FT Graphics Technician, Sr.	1.00
1 FT Purchasing Operations Manager	1.00
Total Program FTE	4.00

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of Graphics Requisitions	550,000	555,300	600,500	650,000
# of impressions	5.5M	4.9M	4.5M	5.0M

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of Graphics Requisitions completed by due date	90%	90%	90%	90%
% of Graphics Requisitions completed without Graphics error	95%	95%	95%	90%

Expenditures By Type				
	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	251,453	243,618	243,618	255,043
Contractual Services	230,706	224,490	(254,485)	(17,637)
Commodities	(347,947)	(386,780)	94,204	70,645
Capital Outlays	-	-	-	-
Total Program Budget	\$134,212	\$81,328	\$83,337	\$308,051

Program Description:

The Copy Center is an outsourced operation responsible for producing or purchasing copier services.

Trends:

The number of copies printed each year continues to rise. The amount of time available to copy and print the high volume Council packets is decreasing.

Program Broad Goals:

Continue to secure copier contracts and advantageous pricing arrangements.
Provide a quick and efficient change over for the Copy Center contractor.

Program 2006/07 Objectives:

Copy Council Reports and special commissions, reports, agendas, minutes, and distribute ten days before the next scheduled meeting.

Program Provided in Partnership With

All City departments and copier vendor

Program Customers

Mayor, City Council, City Manager, all City departments

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

High Volume Copier, CLC 5000 color copier, GBC binder

City Council's Broad Goal(s)

Fiscal and Resource Management

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of copies made by the contractor	4,383,426	4,565,000	4,700,000	5,000,000
Total # of copies processed by the Copy Center	4.65M	4.78M	5.2M	5.5M

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of copy jobs completed without Copy Center error	95%	95%	95%	95%
% of copy jobs completed by due date	99%	99%	99%	95%

Expenditures By Type				
	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	-	7,920	7,920	8,476
Contractual Services	(75,909)	(118,494)	(118,494)	(118,500)
Commodities	942	15,249	15,249	12,200
Capital Outlays	-	-	-	-
Total Program Budget	(\$74,967)	(\$95,325)	(\$95,325)	(\$97,824)

Program Description:

The Mail program provides timely pick-up and delivery of in-house and U.S. mail for the City departments. Other services include sorting and inserting City prepared fliers in utility bill mailings.

Trends:

The mail volume continues to increase at about 10% per year. The number of mail stops is also increasing each year as the City adds additional facilities or locations.

Program Broad Goals:

Provide safe mail to all operating departments in a timely manner.

Continue to secure pre-sort mail services contracts and advantageous pricing arrangements.

Continue to educate City staff about mail requirements and the most cost effective methods to mail.

Program 2006/07 Objectives:

Receive, open, and deliver mail to all offices within the mail delivery areas.

Ensure that all mail delivered to city offices is safe.

Program Provided in Partnership With

All City departments, United States Post Office

Program Customers

Mayor, City Council, City Manager, all City departments

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Mail sorter, mail inserter, Paragon postage meter, letter opener, and two vans

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
4 FT Mail Services Courier	4.00
Total Program FTE	4.00

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of pieces of mail delivered	3,500,000	3,600,000	3,800,000	4,000,000

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of mail processed by staff within one day of receipt	97%	97%	97%	97%

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	164,203	226,357	226,357	196,538
Contractual Services	451,495	492,574	492,574	539,906
Commodities	47,446	46,840	46,840	69,568
Capital Outlays	-	18,000	-	-
Total Program Budget	\$663,144	\$783,771	\$765,771	\$806,012

Program Description:

The Tax and License program ensures that all businesses conducting business in Scottsdale are properly licensed. It administers and collects privilege, transient occupancy and business license taxes, special license fees, alarm user permit, false alarm activation fees, and liquor license fees.

Trends:

Tax & License saw a decrease in the number of massage therapist licenses processed due to the State's take over of this licensing type. Businesses continued to close leading to the opening of new businesses causing increased customer contacts, maintenance of license accounts, and applications to process.

Program Broad Goals:

Collect transaction privilege (sales) tax, mail tax returns, review and correct tax return errors, and generate financial reporting of tax revenue.

License and permit businesses and individuals to comply with City Code, process applications, maintain accounts, renew billing/notification, provide administrative support for the Police Department and other City departments for the regulation of occupations and professions that impact the health, safety and welfare of the City, and generate financial reporting relating to licensing fees and revenue.

Bill false alarm activations based on data provided by the Police Department, maintain accounts, track and report alarm users, and generate financial reporting of revenue generated by alarm activation billing.

Program 2006/07 Objectives:

Provide customers with the additional online service of being able to file taxes and make payments online, look at license status, update information, submit returns, and apply for additional licenses.

Program Provided in Partnership With

Information Systems, Police, Code Enforcement, Tax Audit, Transportation, Revenue Recovery, Accounting, Budget, Solid Waste, Planning & Development Services, Economic Vitality, City Prosecutor Office, City Attorney Office, Remittance Processing, Mailroom

Program Customers

City Businesses and license holders

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Vehicle for inspectors, ID photo/license system, fingerprint equipment, Infolmage, Banner-Licensing & alarm billing system, STARS-Transaction sales tax system, Data warehouse, document replication utility, desktop faxing, Automatic Call Distribution

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Customer Service Rep, Lead	1.00
1 FT Customer Service Manager	1.00
8 FT Customer Service Rep	8.00
2 FT License Inspector	2.00
1 FT Systems Integrator	1.00
Total Program FTE	13.00

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Customer Contacts (at counter & telephones)	94,440	78,362	93,000	93,000
Active licensees and those that have applied but not yet approved or denied	54,809	56,842	58,000	57,000

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of applications/checks without statements processed within 3 work days	50%	51%	75%	75%
% of calls answered within 30 seconds	95%	94%	93%	93%

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	656,155	726,331	726,331	756,657
Contractual Services	47,328	58,072	58,072	132,955
Commodities	5,360	11,900	11,900	21,120
Capital Outlays	-	-	-	-
Total Program Budget	\$708,843	\$796,303	\$796,303	\$910,732

Program Description:

The Revenue Recovery program collects delinquent money owed to the City primarily related to utility bills, sales tax, licensing fees, tax audit assessments, false alarm activation charges and parking tickets. Methods of delinquent collection include mailing notices and statements, telephone contact, site visits, water turn off, filing liens and lawsuits, and the use of outside collection agencies.

Trends:

Bankruptcy filings have continued to stay constant though the chapter filings have changed with the new Bankruptcy laws. We have seen an increase in Chapter 11 & 13 filed vs. Chapter 7.

Program Broad Goals:

Utilize all available resources in the collection of delinquent dollars owed to the City to minimize City losses

Primary areas of collection include utility bills, sales taxes, licensing fees and false alarm assessments. Also provides assistance to any City department indicating a need for collection assistance.

Review and prioritizes items for collection in order to maintain a cost effective section that ensures every reasonable effort is made to collect delinquent monies owed the city.

Refer accounts to the City Attorney's office for legal action and for additional collection enforcement and track and record accounts that are determined to be uncollectible.

Program 2006/07 Objectives:

Coordinate collection efforts with other City departments to manage aged receivables. Work with City Attorney, Prosecutor, and Police Department to provide enforcement and collection of receivables outstanding as allowed by City Code.

Program Provided in Partnership With

Utility Billing, Meter Reading, Tax & License, Tax Audit, Remittance Processing, Risk Management, Accounting, City Attorney, Prosecutor, Police, Airport, Permit Services, Building Inspections, Solid Waste, West World, Code Enforcement

Program Customers

City Residents and Businesses

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Banner Licensing & Alarm Activation System, Gentax, NorthStar, STARS-Sales Tax System, Utility Billing System, Collection activity tracking system, Parking Ticket Collection System

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Administrative Secretary	1.00
2 FT Customer Service Rep	2.00
4 FT Revenue Collector	4.00
1 FT Revenue Collector, Sr.	1.00
1 FT Revenue Recovery Manager	1.00
3 FT Systems Integrator	3.00
1 PT Secretary	0.50
Total Program FTE	12.50

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Average # of active delinquent accounts	14,059	15,184	15,488	15,488

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Dollars collected for every \$1.00 spent	\$15.64	\$17.00	\$18.24	\$18.00
Write-offs as a % of total revenue	0.2%	0.2%	0.2%	0.2%

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	692,211	794,244	794,244	850,812
Contractual Services	40,571	45,533	45,533	58,484
Commodities	5,175	11,665	11,665	13,938
Capital Outlays	-	-	-	-
Total Program Budget	\$737,957	\$851,442	\$851,442	\$923,234

Program Description:

The Meter Reading program is responsible for accurately reading all of the water meters within the City of Scottsdale each month. In addition, other primary activities include daily connects and disconnects (move in and move outs), non-payment delinquency turn offs and turn ons, high bill complaint investigations and resolution, meter tampering and theft of service investigations and completion of miscellaneous Work Orders requesting check readings and re-reads.

Trends:

The Meter Reading team continues to experience a yearly increase in the number of new meter installations. Based upon planned construction and the actual number of new installations for the past two fiscal years, we anticipate reading an additional 1,500 to 1,700 new meters this year. In addition to the more than 84,300 water meters currently read each month, the team is also anticipating an increase in the number of associated Work Orders and special reading requests received. This includes rereads, high bill complaints, and disconnects and reconnects for non-payment and customer move ins and move outs. Our combined Work Order and special reading requests have been averaging 31,300 field calls during the past two fiscal years.

Program Broad Goals:

Ensure that 100% of the City water meters are read monthly and read accurately, which will maximize revenue collection and comply with City ordinances.

Complete all internal and external service requests in a timely and efficient manner, which supports the goal of providing responsive customer service.

Provide leak detection assistance at customer request as a result of high bill complaints.

Program 2006/07 Objectives:

Continue to accurately and timely read City water meters each month.

Continue to work in partnership with Water Operations and other City Departments to provide improved and more cost effective services to our citizens.

Program Provided in Partnership With

Fleet, Water Operations, Risk Management, Community Development, Utility Billing, Remittance Processing, Revenue Recovery

Program Customers

City residents and businesses

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Vehicles (right hand drive Jeeps & compact pickups), handheld meter reading system, hand held meter reading software, Utility Billing System, Land Information System (LIS), Community Development, Utility Cash Transmittal System, Delinquency Turn On Notification System (SOS), uniforms, various hand tools, and cell phones

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
2 FT Water Audit Technician	2.00
12 FT Water Meter Reader	12.00
1 FT Water Meter Reader Manager	1.00
1 FT Water Meter Reader, Lead	1.00
Total Program FTE	16.00

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of meters read annually	986,080	1,000,870	1,033,600	1,035,300
# of meters per meter reader read monthly	6,908	7,012	7,178	7,190

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of meters read accurately	99.9%	99.9%	99.9%	99.9%

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	731,126	826,351	826,351	891,068
Contractual Services	212,137	218,446	218,446	280,967
Commodities	4,783	6,362	6,362	8,515
Capital Outlays	-	14,500	-	-
Total Program Budget	\$948,046	\$1,065,659	\$1,051,159	\$1,180,550

Program Description:

The Utility Billing program provides for the accurate and timely billing of the City's water, sewer, and solid waste services. Assists customers in applying for and discontinuing utility service. Educates customers regarding how to find the cause of any high water usage and responds to customer inquiries and disputes regarding their City utility accounts.

Trends:

The City's utility customer base grew by only 2% due to reduced City development. We expect this low growth to continue throughout the upcoming year. Staff handled 5.5% more customers in-person and over-the-phone. The largest contacts are our customers moving (1,200 per month), concerns about high water usage and customers getting used to the new bills. We expect these trends to continue as the economy stabilizes and customers become even more familiar with the E-Services we offer.

Program Broad Goals:

Bill water, sewer, solid waste and associated fees and taxes in a timely and accurate manner.
Establish accounts for customers requesting service and discontinue service as requested in a timely and accurate manner.

Program 2006/07 Objectives:

Implement new automated system for dispatching work orders to our mobile units in the field.

Program Provided in Partnership With

Accounting, Citizen and Neighborhood Resources, Development Services/One Stop Shop, IS, Water Resources, Solid Waste Management, Parks, Water Operations, CAPA, Mail Room, Remittance Processing, Human Services Municipal Services, Tax Audit, Revenue Recovery, Meter Reading, City Attorney

Program Customers

City Residents and Businesses

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

InfoImage, InfoConnect, Itron Interface, Metroscan, Delinquency Turn On Notification System (SOS), Land Information System (LIS), Work Tracking System (WTS), IVR Daily Snapshot, Interactive Voice Response, Automatic Call Distribution, NorthStar Billing System, Desktop faxing, head sets, Computer Output to Laser Disc (COLD), Online Service Requests, Hummingbird, QuickCard

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Customer Service Rep, Lead	1.00
1 FT Customer Service Manager	1.00
7 FT Customer Service Rep	7.00
1 FT Technology Coordinator	1.00
Total Program FTE	10.00

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of utility statements issued	986,504	1,024,188	1,004,000	1,044,672
# of customer contacts	123,745	129,675	137,000	144,000

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of utility bills accurately mailed	99.8%	99.8%	99.5%	99.5%

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	491,970	567,593	567,593	586,130
Contractual Services	331,229	401,901	401,901	430,408
Commodities	3,356	6,375	6,375	6,150
Capital Outlays	-	-	-	-
Total Program Budget	\$826,555	\$975,869	\$975,869	\$1,022,688

Financial Services | REMITTANCE PROCESSING

Program Description:

The Remittance Processing program processes and deposits all payments for utilities, licenses and permits, sales tax and alarm activations and accompanying documentation; manages the retention, retrieval and destruction of division documents through imaging, microfiche, filing, and on and off-site storage.

Trends:

EFT (Electronic File Transfer) continues to decrease manual check processing and provides more timely processing of payments.

Program Broad Goals:

Process and deposit payments within two days of receipt.

Image division documents to allow for quick and easy retrieval of records and provide requested records to customers and Customer Service staff.

Program 2006/07 Objectives:

Review opportunities for alternative payment method for on line utility bill paying using a method similar to SurePay/Automated Clearing House (payment from customer checking account).

Review opportunity for Point of Sale check imaging (POS) to improve response research requests.

Review opportunity for check truncation to eliminate processing of paper checks at walk in locations.

Program Provided in Partnership With

Tax & License, Utility Billing, City Mail Room, Meter Reading, Revenue Recovery, Tax Audit, Accounting, Police

Program Customers

City Residents and Businesses

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier, money counters

Special Equipment

Transport and related software, mail openers, Imaging System, Utility Billing System, Delinquency Turn On Notification System, Parking System, Cashiering System, Work Tracking System and a variety of payment processing software applications

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing	
1 FT Account Clerk, Sr.	1.00
1 FT Customer Service Rep, Lead	1.00
10 FT Customer Service Rep	10.00
1 FT Customer Service/Tax Audit Dir	1.00
1 FT Remit Proc/Records Mgmt Mgr	1.00
Total Program FTE	14.00

Financial Services | REMITTANCE PROCESSING

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
# of payments processed	1,198,903	1,192,256	1,192,256	1,268,357

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of payments processed within 2 days of receipt	100%	100%	100%	100%

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	626,668	781,897	781,897	812,220
Contractual Services	302,384	286,521	286,521	283,431
Commodities	13,802	14,960	14,960	15,250
Capital Outlays	-	-	-	-
Total Program Budget	\$942,854	\$1,083,378	\$1,083,378	\$1,110,901

Financial Services | TAX AUDIT

Program Description:

The Tax Audit program promotes accurate and timely payment of privilege, use, and bed tax self-assessments by taxpayers through education programs; provides guidance in tax code interpretations; evaluates local economic strength through analysis of privilege, use, bed, and property tax collections; and develops innovative solutions that will ensure the City's financial stability.

Trends:

Construction activities continue to be stable as reflected by the steady collection of associated privilege tax revenues. This trend continues for most categories.

Program Broad Goals:

Audit taxpayer records to ensure tax code requirements are upheld.

Provide privilege, use, and property tax data to internal and external customers.

Provide taxpayer education regarding taxpayer rights and responsibilities.

Program 2006/07 Objectives:

Audit and perform compliance reviews of 2.0% of Scottsdale businesses.

Maintain a minimum ratio of \$2 collected for every \$1 in program cost.

Program Provided in Partnership With

Economic Vitality, Accounting, Budget, IS, Planning and Development Services, Tax and License, Revenue Recovery, Remittance Processing, City Attorney

Program Customers

City Residents & Businesses, Economic Vitality, Budget, City Manager, County Assessor

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Software used for research, GenTax - Sales Tax System

City Council's Broad Goal(s)

Fiscal and Resource Management

Program Staffing		
1 FT Property Tax Auditor	1.00	
1 FT Tax Audit Manager	1.00	
7 FT Tax Auditor, Sr.	7.00	
Total Program FTE		9.00

Performance Measures**Program/Service Outputs: (goods, services, units produced)**

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
% of total Scottsdale businesses audited or reviewed for compliance annually	1.9%	1.6%	2.2%	2.0%
% of new construction placed on the property tax roll for the proper tax year	95%	92%	95%	95%

Program/Service Outcomes: (based on program objectives)

	Actual FY 2003/04	Actual FY 2004/05	Projected FY 2005/06	Projected FY 2006/07
Audit assessment ratio -- total dollars assessed for every \$1.00 in cost	\$3.28	\$4.50	\$2.75	\$3.00

Expenditures By Type

	Actual 2004/05	Adopted 2005/06	Approved 2005/06	Proposed 2006/07
Personal Services	490,780	580,327	580,327	685,643
Contractual Services	33,500	44,364	44,364	49,142
Commodities	1,909	2,980	2,980	5,740
Capital Outlays	-	-	-	-
Total Program Budget	\$526,189	\$627,671	\$627,671	\$740,525